

State of Utah DEPARTMENT OF NATURAL RESOURCES DIVISION OF OIL, GAS AND MINING

355 West North Temple 3 Triad Center, Suite 350 Salt Lake City, Utah 84180-1203

February 17, 1989

Mr. Clayton T. Parr, Esq. Kimball, Parr, Crockett and Waddoups 185 South State Street, Suite 1300 P.O. Box 11019 Salt Lake City, Utah 84147

Dear Clay:

Re: Reclamation Contract/Bonding Forms, Keigley Quarry, M/049/001, and Iron Mountain Mine, M/021/008, Utah and Iron Counties, Utah

In response to your February 16, 1989, telephone request, I am providing the following information to you.

- Revised page 4, item 9, Reclamation Contract, FORM MR-RC. This now includes language which was inadvertently left out of the paragraph when the final draft was printed.
- 2. Revised reclamation surety estimates for the Iron Mountain Mine and Quigley Quarry. The estimates have been adjusted to reflect a change in the 1989 inflation rate from 2.3% (1988), to 1.93%. The bonding periods have been recalculated in 1994 dollars (5-year term).

Iron Mountain (M/021/008) - \$81,000 (1994 dollars)

Quigley Quarry (M/049/001) - \$505,000 (1994 dollars)

Note:

The operator may choose to provide surety for a shorter or longer term if desired. A five-year surety renewal time period is a standard used for convenience by the Division.

Thank you for your input and continued cooperation. Please call me if there are other questions you may have regarding the final permitting requirements for these operations or the Reclamation Contract agreement.

Sincerely,

D. Wayne Hedberg

Senior Reclamation Specialist/

Hydrologist

jb Attachment

cc: Roy Benson, Quigley Quarry

Lowell Braxton

MN3/46

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